

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO
Minute Entry

Hearing Information:

Debtor: YAZMIN ENTERPRISES INC
Case Number: 08-04614-SEK11 Chapter: 11
Date / Time / Room: WEDNESDAY, APRIL 29, 2009 09:30 AM COURTROOM 1
Bankruptcy Judge: SARA DE JESUS
Courtroom Clerk: ALVIN CENTENO
Reporter / ECR: LOURDES ALVAREZ

Matters:

- 1) *HDS* AMENDED DISCLOSURE STATEMENT DATED 04/03/2009
R / M #: 221 / 0
- 2) *OTSC* ORDER TO SHOW CAUSE
R / M #: 218 / 0
- 3) *OTC* OBJECTION TO CLAIM NO. 206-1 OF PUERTO RICO TREASURY DEPARTMENT FILED BY DEBTOR
R / M #: 223 / 0
- 4) *STIP* SETTLEMENT AGREEMENT, MODIFICATION AND ASSUMPTION OF LEASE AGREEMENT
BETWEEN DEBTOR AND MR. EDYL SAN FELIZ RIVERA
R / M #: 216 / 0
- 5) *AFC* APPLICATION FOR COMPENSATION OF ACCOUNTANT FILED BY WIGBERTO LUGO MENDER, CPA
R / M #: 217 / 0
- 6) *AFC* APPLICATION FOR COMPENSATION FILED BY DEBTOR ON BEHALF OF JOSE VICTOR JIMENEZ
VAZQUEZ, CPA
R / M #: 219 / 0
- 7) *AFC* SECOND APPLICATION FOR COMPENSATION FILED BY ATTORNEY FOR DEBTOR
R / M #: 230 / 0

Appearances:

JOSE DIAZ ON BEHALF OF US TRUSTEE OFFICE
RUBEN GONZALEZ MARRERO, ATTORNEY FOR YAZMIN ENTERPRISES INC
SERGIO RAMIREZ DE ARELLANO ON BEHALF OF SANTANDER BANK
NAYELI DIAZ ON BEHALF OF TREASURY DEPARTMENT
ELVIA VALERIO FERRARI ON BEHALF OF CCM
MARIA MERCEDES FIGUEROA ON BEHALF OF CASA GUAYAMA
FAUSTINO APONTE ON BEHALF OF GERARDO SERRA INC.
RAFAEL DAVILA ON BEHALF OF
MANUEL SEGARRA ON BEHALF OF PRIDCO
JOSE A VALENIN ON BEHALF OF COMPAÑIA VALENTIN
WIGBERTO LUGO MENDER ACCOUNTANT OF THE ESTATE

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Proceedings:

DEBTOR IS GOING TO CANCEL AN INSURANCE POLICY OF AN EQUIVALENT CASH VALUE OF \$200,000.00 THAT ARE GOING TO BE USED TO FUND THE PLAN. DEBTOR WAS ALLOWED TO FILE THIS REQUEST WITHIN A PERIOD OF FIVE (5) WORKING DAYS GIVING PROPER NOTICE IN COMPLIANCE WITH LOCAL RULE OF NOTICING.

DEBTOR IS CURRENTLY STOCKING FOR THE MOTHER'S DAY SALE, IF THE SALE OF THIS GOODS FAIL, HE WILL BE CONSIDERING THE CONVECTION OF THIS CASE. THE COURT ALLOWED DEBTOR A PERIOD OF THIRTY (30) DAYS TO INFORM THE COURT.

DEBTOR AND BANCO SANTANDER ARE WORKING A SETTLEMENT OVER A REAL ESTATE FACILITY, STIPULATION WILL BE FILED BY 05/06/2009.

THE JUDGE DISCUSSED SOME SERIOUS PROBLEMS THAT THE COURT IS HAVING WITH THE DISCLOSURE FILED, THAT INCLUDES:

1. THE DEBTOR HAS NOT ANSWER THE ORDER TO SHOW CAUSE DATED 04/02/2009 ENTERED ON DKT #218 . (NO AGREEMENT WITH PRIDCO AND NO FURTHER STIPULATION WITH LANDLORDS)
2. THE INFORMATION CONTAINED ON THE DISCLOSURE STATEMENT IS CURRENTLY UNRELIABLE.
3. THE COURT DON'T KNOW ANYTHING CONCERNING MUSANDA REALTY, THIS CREATE A PROBLEM OF RELIABILITY OF FINANCIAL INFORMATION CONTAINED IN THE DISCLOSURE STATEMENT.
4. ON THE LIQUIDATION ANALYSIS, THEIR ARE SIX DIFFERENT REAL PROPERTIES NOT IDENTIFIED BY THE DEBTOR. THE SCHEDULE OF THIS PROPERTIES DOES NOT COINCIDE WITH THE INFORMATION IN THE LIQUIDATION VALUE. LOST CARRIED FORWARD IS NOT DECLARED.
5. THE COURT DO NOT KNOW WHO ARE THE OFFICERS OF THIS CORPORATION AND WHAT ARE THEIR SALARIES.

FOR THE REASONS STATED IN OPEN COURT, THE DISCLOSURE STATEMENT WAS DISAPPROVED.

THE COURT WILL HELD A HEARING ON 05/29/2009 AT 11:00 A.M. TO ALLOW THE DEBTOR TO INFORM THE COURT IF HE WILL MOVE FOR THE CONVERSION OF THIS CASE INTO A CHAPTER 7. IF NO CONVERSION IS NEEDED DEBTOR IS REQUIRED TO INFORM THE COURT WHEN AN AMENDED DISCLOSURE STATEMENT WILL BE FILED.

SETTLEMENT AGREEMENT, MODIFICATION AND ASSUMPTION OF LEASE AGREEMENT BETWEEN DEBTOR AND MR. EDYL SAN FELIZ RIVERA WAS HELD IN ABEYANCE.

SECOND APPLICATION TO COMPENSATION FILED BY ACCOUNTANT WAS APPROVED. C-14 ON DOCKET #217 ORDER WILL BE ENTERED.

APPLICATION FOR COMPENSATION FILED BY DEBTOR ON BEHALF OF JOSE VICTOR JIMENEZ VAZQUEZ WAS APPROVED SUBJECT TO AVAILABILITY OF FUNDS TO PAY OFF CREDITORS THAT ARE IN THE SAME RANK (DKT #219). ORDER WILL BE ENTERED.

SECOND APPLICATION FOR COMPENSATION FILED BY ATTORNEY FOR DEBTOR IS APPROVED SUBJECT TO AVAILABILITY OF FUNDS TO PAY OFF CREDITORS THAT ARE IN THE SAME RANK (DKT #230). ORDER WILL BE ENTERED.

THE COURT ENCOURAGE THE DEBTOR'S ATTORNEY TO GIVE PROPER NOTICE IN COMPLIANCE WITH LOCAL RULE OF NOTICE.

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DEBTOR WAS GRANTED A PERIOD OF FORTY FIVE (45) DAYS TO DEAL WITH THE PRIORITY CLAIM OF TREASURY DEPARTMENT, NO EXTENSIONS WILL BE GRANTED AND WAS GRANTED A PERIOD OF FIVE (5) WORKINGS DAYS TO FILE STIPULATION WITH PRIDCO. CLERK TO FOLLOW UP.